

VZCZCXRO8172  
PP RUEHFK RUEHKSO RUEHNAG RUEHNH  
DE RUEHKO #2463 2530440  
ZNR UUUUU ZZH  
P 090440Z SEP 08  
FM AMEMBASSY TOKYO  
TO RUEHC/SECSTATE WASHDC PRIORITY 7112  
RUEKJCS/SECDEF WASHDC PRIORITY  
RUCPDOG/USDOC WASHDC PRIORITY  
RUEATRS/DEPT OF TREASURY WASHINGTON DC PRIORITY  
RUYNAAAC/COMNAVFORJAPAN YOKOSUKA JA PRIORITY  
RHHMUNA/HQ USPACOM HONOLULU HI PRIORITY  
RHHMHBA/COMPACFLT PEARL HARBOR HI//N541// PRIORITY  
RHMFIUU/HQ PACAF HICKAM AFB HI//CC/PA// PRIORITY  
RUHBANB/OKINAWA FLD OFC US FORCES JAPAN CP BUTLER JA PRIORITY  
RHMFIUU/USFJ PRIORITY  
INFO RUEHFK/AMCONSUL FUKUOKA 9773  
RUEHNH/AMCONSUL NAHA 2137  
RUEHNAG/AMCONSUL NAGOYA 7891  
RUEHKSO/AMCONSUL SAPPORO 0352  
RUEHOK/AMCONSUL OSAKA KOBE 3514  
RUEHBJ/AMEMBASSY BEIJING 5257  
RUEHMO/AMEMBASSY MOSCOW 2525  
RUEHUL/AMEMBASSY SEOUL 1251  
RUCNDT/USMISSION USUN NEW YORK 1564  
RHEHAAA/NSC WASHDC

UNCLAS TOKYO 002463

SIPDIS

STATE FOR I/RF, PA/PR/FPC/W, IIP/G/EA, EAP/PD, R/MR,  
EAP/J, EAP/P, PM;  
USTR FOR PUBLIC AFFAIRS OFFICE;  
TREASURY FOR OASIA/IMI;  
SECDEF FOR OASD/PA;  
CP BUTLER OKINAWA FOR AREA FIELD OFFICE;  
PACOM HONOLULU FOR PUBLIC DIPLOMACY ADVISOR

E.O. 12958: N/A

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SUBJECT: TOKYO MEDIA REACTION - USG BAILOUT OF FANNIE  
MAE AND FREDDIE MAC

11. LEAD STORIES: Front-page items on Tuesday morning included DPJ President Ozawa's effective election on Monday to a third term as head of the leading opposition party, as no one filed to run against him, as well as the official announcements on Monday by two candidates for the presidency of the ruling LDP.

12. "More Needs to Be Done to Ease Anxieties About U.S. Financial System" The business-oriented Nikkei editorialized (9/9): "The U.S. has moved to rescue two troubled housing mortgage firms, taking control of the companies and injecting public funds. These measures will head off a potential worldwide financial crisis sparked by credit insecurity in the U.S. However, more remains to be done to ease financial anxieties, as housing prices continue to drop, and there are many private financial institutions whose assets remain at risk. The risk of a vicious circle of a credit crunch and a deteriorating economy still remain."

ZUMWALT